

The State of New Hampshire Insurance Department

21 South Fruit Street, Suite 14
Concord, NH 03301
(603) 271-2261 Fax (603) 271-1406
TDD Access: Relay NH 1-800-735-2964



John Elias
Commissioner

Alexander K. Feldvebel
Deputy Commissioner

Bulletin Ins. 18-039-AB

TO: All Property & Casualty Insurance Companies

FROM: John Elias, Insurance Commissioner

A handwritten signature in blue ink, appearing to be "JE", is placed next to the "FROM:" line.

DATE: July 18, 2018

RE: Walling Books of Business (Legacy Books / New Books)

On December 14, 2015, the Department issued a bulletin to property and casualty insurers regarding the propriety of having two rating plans wherein existing insureds as of a certain date would remain in a walled-off legacy rating plan and new insureds after that date would go into a new rating plan. The bulletin advised insurers that they should un-wall legacy rating plans and affirmatively transition insureds to the new rating plan within three years. The Department grounded this directive in concerns regarding unfair discrimination under RSA 412:15.

A related issue also involving insurers walling off insurance coverages has recently arisen. This prompted the Department to reexamine whether walling off business, rates and/or forms, is unfairly discriminatory under RSA 412:15 and/or RSA 417:4, VIII. The review was also prompted by the Department's recent move toward considering rates and forms as a single filed program.

Upon review of the plain language of RSA 412:15 and RSA 417:4, VIII, the historical treatment of walled-off business both in New Hampshire and other jurisdictions, and the Department's move toward treating rate and form filings as a single filed program, the Commissioner has determined that the walling off of books of business is not unfairly discriminatory so long as insurers permit insureds in the walled-off book of business the opportunity to move to the new rates/coverages upon request. Both the legacy book and the new book must still comply with all New Hampshire insurance laws.

In view of the foregoing, the December 14, 2015 Informational Letter is withdrawn by operation of this bulletin.

If you have any questions regarding this Bulletin, please contact Emily Doherty, Property & Casualty Attorney, at emily.doherty@ins.nh.gov or 603.271.4843.